shares of listed companies are traded on the stock exchanges at varying prices on different dates, it is difficult to estimate the total number of companies which have given a profitable return to the investors.

(d) Investments in shares carry the risk of fall in the value of capital invested. Therefore, it is essential that investor's take decisions to invest in the shares of companies after careful consideration of the risk involved. One of the measures taken by the Government for the protection of the interest of the investors in securities is the esablishment of the Securities and Exchange Board of India (SEBI) with statutory powers and functions from February, 1992.

Losses incurred by Nationalised Banks

902. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRIMATI VEENA VERMA:
SHRI RAJNI RANJAN SAHU:
SHRI JAGIR SINGH DARD:
SHRI SURESH PACHOURI:
SHRI IQBAL SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a majority of Nationalised Banks have shown losses for 1991-92 and 1992-93 and are likely to further go into losses during the current year with the enforcement of the revised regulations and norms and decline in interest rates;

(b) if so, what are the Bank-wise profits and losses incurred during 1992-93 and during the 1st quarter of the current year;

(c) to what extent it is attributable to the reduction in interest rates; and

(d) what steps have been and are being taken to bring the banks out of the red?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS DR. ABRAR AHMED): (a) Only three nationaised banks had shown losses during the year 1991-92. During the year 1992-93, as per the balance sheets received by RBI so far, six nationalised banks have reported losses. As regards the current year, while the revised norms and decline in interest rates will have a nagative impact, other factors such as reduction in the Cash Reserve Ration (CRR) and Statutory Liquidity Ration (SLR) will have the effect of smuggling bank resources for commercial operations.

(b) The profits/losses incurred by nationalised banks from whom the balance-sheets as on 31.3.1993 have been received so far by RBI are given below:

(Rs. in crores)

Name of the Bank	Net profit/Loss
1. Canara Bank	26.07
2. Corporation Bank	4.12
3. Indian Bank	6.51
4. Oriental Bank of Commerce	20.50
5. UCO Bank	(—) 444.19 (Loss)
6. Andhra Bank	(—) 141.09 (Loss)
7. Bank of India	(—) 331.12 (Loss)
8. Central Bank of India	(—) 383.31 (Loss)
9. Dena Bank	(—) 90.46 (Loss)
10. Syndicate Bank	(—) 670.08 (Loss)
11. Union Bank of India	11.26

(c) Decline in interest rates is only one of the many factors affecting the performance and profitability of banks.

(d) RBI have been impressing upon the banks to strengthen their credit appraisal machinery and exercise close supervision and control over advances, to contain growth in establisnment expenses and improve staff productivity, ensure better yield on investments and improve cash management. The banks have also been advised by RBI to prepare action

plans for improving their functioning in key areas.

Composition of Banking Service Recruitment Boards

903. SHRI B. K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) what are the broad policy guidelines in regard to composition of Banking Service Recruitment Boards and specifically the appointment of Chairmen and Members and their tenures;

(b) whether these guidelines are being strictly followed vis-a-vis renominational re-appointment of members for another terms; and

(c) whether Government would consisider to debar the members of the existing board from seeking office for another term as a matter of propriety?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Each of the 15 BSRBs and one Central Recruitment Board (CRB) is headed by a board comprising of one full time Chairman, and three part-time members. The Chairman of the Board is appointed by the coordinating bank in consultation with the Govt. and is selected from amongst eminent persons of good standing and integrity. The part-time Members are appointed by the co-ordinating bank in consultation with the Chairman of the respective BSRB/CRB and the participating banks. The tenures of the Chairmen and part-time members are generally 3 years or till they attain the age of 65 years, whichever is earlier. They are also eligible for reappointment if their age permits and ther performance has been satisfactory for second and subsequent terms.

(c) No such proposal is under consideration of the Government.

State Revenue Share

904. SHRI SHIVAJI RAO GIRIDHAR PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Centre's liberalisation policies have led to a real cut on transfer of resources to the States;

(b) whether it is also a fact that the Centre has been encroaching upon the legitimate shares of States revenue by preferring levy on taxes which are not shareable; and

(c) what steps Government have taken to implement the decision regarding consignment taxes, inclusion of corporation tax and surcharge on income tax in the divisible pool.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

(b) No, Sir. The share of taxes of States has increased from Rs. 17197 crores in 1991-92 to Rs. 20525 crores in 1992-93 and Rs. 22049 crores in 1993-94 B.E.

(c) The sharing of Corporation Tax and Surcharge on Income Tax is not permitted under the Constitutional provisions. The matter regarding consignment tax is still under consideration.

Agreement with other countries to combat smuggling of narcotics

905. SHRI KAMAL MORARKA: Will the Minister of FINANCE be pleased to state:

(a) whether India and Zambia have signed an agreement to combat illicit trafficking in dangerous drugs and psychoropic substances and money laundering;

(b) if so, what are the details thereof;

(c) whether India has signed similar agreement with other countries especially neighbouring one; and

(d) if so, what are the names of such countries?